

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6929**

**BILL NUMBER:** HB 1196

**NOTE PREPARED:** Jan 25, 2008

**BILL AMENDED:** Jan 24, 2006

**SUBJECT:** Various Election Law Matters.

**FIRST AUTHOR:** Rep. Pierce

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) The bill makes the following changes in election law:

*Military, College, or Medicare ID-* The bill provides that an identification document issued by the Department of Defense, a branch of the uniformed services, the Merchant Marine, or the Indiana National Guard that has an indefinite expiration date, an identification issued by an approved institution of higher learning, or a Medicare card is an acceptable proof of identification to vote.

*Voter Challenges in Long-Term Care Facilities-* The bill provides that an individual confined to a long-term care facility may not be challenged solely on the basis that the address on the individual's application for an absentee ballot differs from the address shown on the individual's voter registration record.

*Voter Registration Workers-* The bill provides that certain individuals under the supervision of the criminal justice system may not be employed by a county board of voter registration.

*Voting While Under Lawful Detention-* The bill provides that a person who is subject to lawful detention but has not been convicted of a crime is eligible to register and vote until the person has been convicted of a crime and imprisoned following conviction.

*Poll Clerks and Assistant Poll Clerks Checking Voter ID-* The bill provides that poll clerks and assistant poll clerks may ask a voter to show proof of identification.

*Exceptions to Proof of Identification-* The bill provides that a voter who executes an affidavit at the polls and is indigent or has a religious objection to being photographed is not required to present proof of

identification.

*No Reason Absentee Voting-* The bill permits a voter who is qualified to vote in person to vote by absentee ballot. The bill removes all other qualifications for a voter to vote by absentee ballot except for a voter with disabilities who is unable to make a voting mark on the ballot or sign the absentee ballot secrecy envelope. (Such a disabled voter is currently required to vote before an absentee voter board.)

*Absentee Voter Signature Comparisons-* The bill provides that when a voter votes as an absentee voter, the voter's signature on the absentee ballot affidavit shall be compared with the signature on the voter's voter registration record.

*Carrier Envelopes-* The bill permits all absentee ballot envelopes and related voter applications that will be sent to the same precinct to be enclosed in the same carrier envelope.

*Absentee Ballot Counting-* The bill provides for the counting of an absentee ballot received by the county election board before the close of the polls on election day if the ballot is not otherwise successfully challenged.

*Analysis of Provisional Voting-* The bill requires the Secretary of State to publish an analysis of provisional voting in Indiana for each year in which a general or a municipal election is held.

*Counting of Ballots-* The bill requires the counting of a ballot (other than an absentee ballot not initialed by the appropriate election officials) that has been marked and cast by a voter in compliance with election law, but may otherwise not be counted solely as the result of the act or failure to act of an election officer unless evidence of fraud, tampering, or misconduct affecting the integrity of the ballot is presented.

*Beginning Date of Absentee Voting-* The bill makes the beginning date of absentee voting in the clerk's office or a satellite office one day later than under current law.

*Procedures for Absentee Ballots-* The bill requires a rejected absentee ballot to be treated as a provisional ballot. The bill requires the county election board to send a notice to a voter whose absentee ballot has been rejected providing certain information. The bill requires the county election board to meet before noon ten days after an election to provide provisional voters an opportunity to make a presentation in support of the validity of the provisional ballot and to determine which provisional ballots shall be counted. The bill makes certain procedural changes in processing provisional ballots.

*Inspecting Electronic Voting System Registers-* The bill permits a county election board to inspect the register or other recording device on an electronic voting system without obtaining the authority of the State Recount Commission.

*Treasurer of State Office Date-* The bill provides that an individual elected treasurer of state takes office January 1 following the individual's election. The bill provides that the individual elected treasurer of state at the 2006 election vests as a member of PERF if the individual is reelected as treasurer of state at the 2010 election and serves in office until January 1, 2015.

*State Officer PERF Vested Status-* The bill establishes 65 years of age with at least eight years of creditable service as the normal retirement age for a state officer listed in Article 6, Section 1, of the Constitution of the State of Indiana.

*School Plan Changes-* The bill provides for the initiation of the change of a school corporation's organization plan if 10% of the active voters in the school corporation sign a petition for the change. (Under current law, 20% of the voters in a school corporation must support a petition for a change in the school corporation's organization plan.)

*Repealers-* The bill repeals the following statutes: a statute providing that an absentee ballot may not be counted if the ballot does not contain initials of certain election officials; a statute relating to opening absentee ballot envelopes; a statute that requires a provisional ballot to be rejected if it does not contain certain initials; and a statute imposing criminal penalties for the inspection of a voting system without the permission of the Recount Commission.

**Effective Date:** Upon passage; July 1, 2008.

**Explanation of State Expenditures:** *Analysis of Provisional Voting-* The Secretary of State (SOS) would require additional administrative time to complete the report. It is likely the SOS would be able to complete reports on provisional voting within their existing level of resources. The SOS already produces electronic reports of election results, including the number of provisional ballots cast and counted by county.

The report would have to include the following information:

- (1) The number of provisional ballots cast by county.
- (2) The reasons that the provisional ballots were cast.
- (3) The number of provisional ballots counted and not counted.
- (4) Measures of variance in casting of provisional ballots by county.
- (5) Length of time to check validity and county provisional ballots by county.
- (6) The variation in the use of provisional ballots among all counties.

As indicated above, data points one and three are currently reported. In order to collect the remaining information, the Election Division may need to revise the CEB-9 forms to include the data points not currently reported by county election boards.

At the end of FY 2007, the SOS reverted \$42,178 to the state General Fund.

*Treasurer of State Office Date-* The provision could result in a minimal increase in administrative costs and expenditures for the Public Employees' Retirement Fund (PERF). Any increase in PERF expenditures would not be certain to occur until after the 2010 election. If the Treasurer of State is reelected at the 2010 election and serves until January 1, 2015, they would be considered vested in PERF and may be eligible for PERF benefit payments. If the Treasurer of State is not reelected in 2010, no impact to state expenditures would occur from this provision.

*State Officer PERF Vested Status-* The bill would allow a state officer (Auditor, Secretary of State, or Treasurer) whose term of office commenced after the 2002 general election to be eligible for normal retirement and vest in PERF if the state officer is 65 and served as a state officer for at least *eight* years, or was elected at least two times and would have served at least *eight* years had not a uniform date of term commencement shortened their term. If the state officer does not meet these criteria, then they could meet the retirement age and years of service criteria of the public retirement and disability benefits statute and vest in PERF. Were an elected state officer to become eligible for PERF benefits through the bill, PERF expenditures would increase by an indeterminable amount to pay for retirement benefits to qualifying former

state officers. It is likely this provision would not present a significant increase to PERF expenditures.

Under current law, minimal service for a state employee to receive vested status is 10 years. The current public employees' retirement and disability age and years of service provisions are as follows in IC 5-10.2-4-1.

Retirement Type	Age and Years of Service
PERF members retiring before July 1, 1995; Teachers Retirement Fund (TRF) members retiring before May 2, 1989	Minimum Age: 65, Years of Service: at least 10
PERF Members retiring after June 30, 1995; TRF members retiring after May 1, 1989	Minimum Age: 65, Years of Service: at least 10; or Minimum Age: 60, Years of Service: at least 15; or Sum of Age and Years of Service equals 85 with minimum age of 55.
Early Retirement with reduced benefits	Minimum Age: 50, Years of Service: at least 15

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Voting While Under Lawful Detention-* The bill would require absentee voter boards to travel to facilities holding persons under lawful detention. As a result, the administrative time of absentee voter boards may increase to travel to places of lawful detention and to process the additional absentee votes received.

*Absentee Ballot Counting-* County election boards may end up with additional absentee ballots to process. This provision would be accomplished within existing county election board resources.

*Beginning Date of Absentee Voting-* This provision would allow county election boards to more efficiently process voter registrations received on the last day of voter registration, which under current law coincides with the first day of absentee voting before the board.

*No Reason Absentee Voting-* This provision would increase the production of absentee ballots. The specific impact of this provision would depend on the additional number of absentee ballots printed by each county election board. [During the 2006 general election, 170,552 voters voted absentee, or 10% of total votes cast. The 2006 primary election saw 61,345 voters voting absentee, or about 7.2% of total voters voting. During the 2004 general election 260,550 voters voted via absentee, or about 10.4% of total voters voting.]

*Casting Absentee Ballots at Satellite Offices-* This provision would require the unanimous vote of the county election board to implement. If implemented, absentee ballots would be cast in satellite offices only.

*Analysis of Provisional Voting-* County election boards would likely require additional administrative time to report the additional data points detailed above to the SOS.

*(Revised) Procedures for Absentee Ballots-* If notices are sent by mail, county election boards would require

an increase in expenditure for postage. This provision could increase the workload of county election boards to conduct absentee ballot hearings.

**Explanation of Local Revenues:** *School Plan Changes*- The provision could increase the administrative time necessary for clerks to process additional petitions regarding change in the composition and election procedure of governing body members. Under current law, 20% of voters within a school corporation must sign such a petition. The bill would require 10% of *active* voters to sign a petition.

**State Agencies Affected:** Auditor, Secretary of State, Treasurer; Election Division.

**Local Agencies Affected:** Counties, precincts.

**Information Sources:** Office of the Secretary of State.

**Fiscal Analyst:** Chris Baker, 317-232-9851.